



September 23, 2003

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Federal Communications Commission
Office of Secretary

BY HAND DELIVERY

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *WC Docket No. 02-359, In the Matter of the Petition of Cavalier Telephone, LLC
Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the
Jurisdiction of the Virginia State Corporation Commission Regarding
Interconnection Disputes with Verizon Virginia Inc. and for Arbitration*

Dear Ms. Dortch:

Cavalier Telephone, LLC respectfully submits its Direct Testimony. Cavalier has advised respondent, Verizon, that it withdraws the first half of Issue C12 (concerning electronic loop provisioning) and is submitting no testimony on that subject. Also, nine of Cavalier's witness declarations bear faxed signatures, and two are blank because of the recent severe storms and altered schedule, but Cavalier will submit an original signed declaration for each witness under separate cover.

Please contact me at 804.422.4517 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen T. Perkins".

Stephen T. Perkins
Counsel for Petitioner

cc: Karen Zacharia, Esquire (by e-mail and hand delivery)
Kimberly A. Newman, Esquire (by e-mail and hand delivery)
James G. Pachulski, Esquire (by e-mail and hand delivery)
Ms. Terri Natoli (by e-mail)
Mr. Jeremy Miller (by e-mail)
Mr. Brad Koerner (by e-mail)
Mr. Richard Lerner (by e-mail)
Ms. Christine Newcomb (by e-mail)
Ms. Margaret Dailey (by e-mail)
Ms. Deena Shetler (by e-mail)
Mr. Marcus Maher (marcus.maher@fcc.gov)

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**TESTIMONY OF WALTER E. COLE
ON BEHALF OF CAVALIER TELEPHONE, LLC**

CAVALIER EXHIBIT _____

September 23, 2003

1 **Q. Please state your name, business address, responsibilities, and professional**
2 **background.**

3 A. My name is Walter E. Cole. My business address is 2134 West Laburnum
4 Avenue, Richmond, Virginia 23227-4342. As Director of Network for Cavalier
5 Telephone, LLC ("Cavalier") since December of last year, I am responsible for network
6 planning and implementation. Before joining Cavalier, I worked for eight years for U.S.
7 Cellular out of Chicago, Illinois, first as a Senior Manager for Network Planning and
8 Architecture and later as Director of Network Services. Before that, I spent almost 24
9 years in the United States Air Force, working in network architecture, engineering, and
10 implementation. I earned a bachelor of science degree in management from Park College
11 and completed some graduate work in telecommunications systems management at
12 Webster University.

13 **Q. What issues will your direct testimony address?**

14 A. It will address the issues designated as C2, C3, C11, C28, and V2.

15 **Network Rearrangement**

16 **Q. What changes does Cavalier propose in connection with Issue C2?**

17 A. In a new § 9.6 of the interconnection agreement, Cavalier wants to add a
18 reciprocal obligation for Verizon to reimburse Cavalier for any network changes that
19 Cavalier must make to accommodate Verizon's rearrangement of Verizon's own
20 network, and vice versa.

21 **Q. Why does Cavalier propose that change?**

22 A. Cavalier has experienced substantial out-of-pocket costs, internal costs, and
23 frustration and delay associated with Verizon's re-homing of tandems. One example was

1 when Verizon shifted interexchange traffic from Turner Road 52 to Turner Road 76, in
2 LATA 248 in Richmond, Virginia. That change was initially expected to start in October
3 2001 and end by February 2002. Instead, Verizon started moving traffic in April 2002,
4 and Cavalier was still getting traffic from the Turner Road 52 tandem as late as August
5 2002. A similar situation occurred with the re-homing of traffic from the Southwest 90T
6 (in the District of Columbia) to the Arlington 78T (in northern Virginia).

7 **Q. What impact does such a tandem re-homing have on Cavalier?**

8 A. First, Cavalier has to order duplicate facilities while these rearrangements occur.
9 For example, for the SW90T to Arlington re-homing, Cavalier had to order a DS3 circuit
10 with a non-recurring charge ("NRC") of about \$3,000 to \$4,000, and a monthly recurring
11 charge ("MRC") of about \$3,000, along with ___ DS1 trunks to ride it, each at an NRC
12 of about \$500-\$600 and an MRC of about \$1,000 per month. Cavalier incurs these
13 expenses because Verizon needs to make adjustments on its own network, not because of
14 some activity initiated by Cavalier. Delays in completing these rearrangements only
15 magnify the expense to Cavalier. Second, Cavalier incurs a lot of internal expense and
16 effort. Again, with the Turner 52T to Turner 76T re-homing, the DS3 circuits took up a
17 total of 81 switch ports. Likewise, Cavalier's network and translations personnel were
18 working lengthy hours, participating in conference calls that lasted until 3:00 or 4:00 a.m.
19 and then resuming work at 6:00 a.m. to coordinate the rearrangement with both Verizon
20 and other carriers. Again, delays in completing the rearrangement only magnify and
21 prolong the expense and burden. Third, Cavalier simply incurs a lot of wasted effort and
22 expense. For example, for the Arlington 18T to SW90T re-homing, Cavalier ordered a
23 DS3 circuit for the anticipated timeframe, but the circuit was disconnected after it passed,

1 and Cavalier had to reorder the DS3 circuit two more times before it actually went into
2 use. That type of scenario simply illustrates poor project management, which causes
3 Cavalier to have problems with Verizon disconnecting the old circuit or billing accurately
4 and effectively. Fourth, some of the measures that Verizon employs before re-homing
5 also create problems. Again, with the Turner 52T to 76T re-homing, traffic initially came
6 not just from the 52T, but also from other routes and other tandems. After Cavalier
7 ordered DS1 circuits to connect with the 76T, calls flooded in at a rate far in excess of the
8 traffic that Cavalier had previously measured from the 52T alone (for two months' worth
9 of CCS). Cavalier had to rush to augment the trunking and request that Verizon route
10 traffic over inter-machine trunks until the trunks were augmented.

11 **Q. What is the bottom line with all of these expenses and difficulties?**

12 A. Cavalier only wants Verizon to reimburse it when Verizon initiates
13 rearrangements of Verizon's own network. Cavalier already has to make its own
14 arrangements to try to avoid the type of problems created by these Verizon network
15 rearrangements, and foot the bill for it. Cavalier only asks the same of Verizon, to
16 compensate for the needless and duplicative expense, burden, and effort of trying to
17 accommodate rearrangements like the Turner 52T to 76T re-homing and the SW 90T to
18 Arlington re-homing.

19 **Meet-Point Billing**

20 **Q. What will you discuss in your testimony on Issue C3?**

21 A. My testimony will address network architecture issues. Having a proper
22 interconnection architecture, used to interconnect Cavalier's and Verizon's networks, is
23 insufficient in itself to render accurate intercarrier bills for termination of local calls,

1 access calls, and transit calls. Both Verizon and Cavalier play a critical role in insuring
2 that sufficient call detail is attached to every call record in order to eliminate the potential
3 for fraudulent use of each party's networks. Establishment of the correct architecture,
4 along with clearly defined responsibilities for call routing, will treat all carriers in a non-
5 discriminatory fashion. In short, the proper architecture should stop fraudulent or
6 otherwise improper use of Cavalier's network by Verizon or other parties. Although
7 Verizon and Cavalier have established the correct architecture, more must be done to
8 render accurate intercarrier bills.

9 **Q. Are there any parallels to the intercarrier routing issue you describe?**

10 A. The concept of interconnection and billing is like the arrangement of different
11 lanes for and assessments of different toll charges upon automobiles that pass over a
12 bridge. The bridge is the interconnection facility between the respective networks and
13 the lanes are the interconnection trunks. Even though Cavalier and Verizon have
14 established the proper lanes to segregate the traffic, the traffic must be properly identified
15 by carrier and call type. To return to the analogy, the keeper of the bridge must ensure
16 that cars passing through the gate have proper identification, like a local resident's special
17 license plate or a visitor's pass, and a proper purpose for entry. Today, we have set up
18 the traffic lanes, but the cars are passing through without identifying themselves or their
19 business. We want that to close that loophole.

20 **Q. What are the fundamental precepts of this architecture?**

21 A. Section 4.2 of the interconnection agreement between Verizon and Cavalier sets
22 up three distinct trunk groups (the traffic lanes): (a) "Interconnection Trunks" for the
23 routing of reciprocal compensation traffic (local, Verizon intraLATA toll, and transit);

1 (b) "Access Toll" connecting trunks for the routing of exchange access traffic; and (c)
2 "Miscellaneous Trunk Groups for "choke" trunks and non-translated toll free traffic. If
3 rates were the same across the board for toll calls, local calls and other calls, all of this
4 traffic could simply flow across the networks over single common trunks. Yet because of
5 the different rates for different types of calls, carriers like Cavalier establish separate
6 trunk groups to help bill properly. For Interconnection Trunks, billing is based on
7 Cavalier's own recorded information off the transmitted call record. However, for
8 Access Toll trunks, billing is based on "meet point billing" tapes provided by Verizon.
9 These tapes provide missing call information, not captured by Cavalier's switch, to
10 render appropriate billing.

11 **Q. Do you have any concerns over this architectural design?**

12 A. I do not have any concerns with this architectural design itself, because Cavalier
13 is currently operating under that framework. I do have concerns, however, with actual
14 practices that do not conform to this design. That creates havoc in trying to capture
15 sufficient information off the billing tapes to render accurate bills.

16 **Q. Do you have information where actual practices do not conform?**

17 A. Yes, the current interconnection arrangement that Cavalier is operating under
18 provides for these three trunks groups. However, I understand that there is a widespread
19 problem with conformity. I based this conclusion on specific trunking in Richmond.
20 Specifically, I looked at billing detail for a single day, July 8, 2003. These data, shown in
21 detail in Exhibit WC-1, can be summarized as:

22 Misrouted Traffic:

23 Verizon Traffic on IXC Trunks 34,375

1	Local Traffic on IXC Trunks	33,235
2	<u>Access Traffic on Local Trunks</u>	<u>23,763</u>
3	Total Misrouted Traffic	91,374
4	Total Traffic Studied	507,619

5 **Q. Is a single day study sufficient to illustrate the problem?**

6 A. Yes, because traffic is pointed to these trunks groups on an ongoing basis. The
7 volume of traffic may change daily but the routing does not.

8 **Q. What effect does this Richmond example have upon Cavalier's network?**

9 A. The misrouting will cause our trunks groups to be sized incorrectly over the long
10 term. This problem could be especially acute if, as appears to be the case, Verizon was
11 not aware of this situation.

12 **Q. How does this situation effect billing?**

13 A. John Haraburda discusses that issue in his testimony.

14 **Q. Have you brought this issue to Verizon for resolution under your current**
15 **interconnection agreement provisions?**

16 A. Yes. After making test calls from other carriers' networks Cavalier has shared
17 this data with Verizon, and Cavalier is still awaiting a response to schedule appropriate
18 additional testing and resolution.

19 **Q. From Verizon's response, what do you conclude?**

20 A. Verizon has very little concern to fix the network and billing problems that result,
21 in part, from its lack of adherence to contract architecture. Cavalier can only address
22 network routing issues with Verizon after the fact. We are totally at their mercy to fix the

1 problems, absent intervention from a regulatory body. The contract language that
2 Cavalier proposes should help solve this problem, by adding safeguards to protect billing.

3 **Q. What specific changes does Cavalier propose?**

4 A. First, Cavalier proposes language, in § 5.6.6, to ensure that Verizon is sending to
5 Cavalier a Carrier Identification Code (CIC), a Local Routing Number (LRN), Operating
6 Company Number (OCN), or Jurisdictional Information Parameter (JIP) code on the
7 billing record. That information is the first identifier on the call record to determine
8 which carrier originated the call. Our request is that the call record contain any adequate
9 combination of the above information, but our preference is for a CIC code to be placed
10 on every record.

11 Second, Cavalier proposes that the call record contain Calling Party Number
12 (CPN). A CPN provides Cavalier with a record of the area code and originating
13 telephone. This permits Cavalier to determine where the call originated. As Mr.
14 Haraburda explains in his testimony, this information should enable the call to be
15 properly rated.

16 **Q. Is the information that Cavalier requested unusual?**

17 A. No, it is not. The information requested conforms with all industry standards.

18 **Project Coordination**

19 **Q. What changes does Cavalier propose in connection with Issue C11?**

20 A. Cavalier proposes language for a new § 14.6 in the interconnection agreement,
21 superseding its prior proposal on this subject. Cavalier's new proposed language first
22 tracks the language in the new 47 C.F.R. § 51.316 created by the *Triennial Review Order*,

1 and adds a provision requiring good-faith negotiation with respect to applicable
2 timeframes.

3 **Q. Why is this new language needed?**

4 A. Cavalier has experienced problems with Verizon in moving customers from (a) an
5 exiting carrier's special access circuits purchased from Verizon to (b) Cavalier's own
6 network, including those portions of Cavalier's network that incorporate or interconnect
7 with unbundled network elements leased from Verizon.

8 **Q. What type of problems has Cavalier experienced?**

9 A. Cavalier has experienced a variety of problems in converting customers from
10 special access circuits to its own network. In his testimony, Matt Ashenden explains
11 some of the extensive problems that Cavalier encountered with Verizon over an extended
12 period of time with former customers of Net2000. However, Cavalier also experienced
13 problems with converting some former customers of Adelphia Business Solutions,
14 because Verizon would not convert the circuits until it received a letter of authorization,
15 CFA, and a disconnect order, all directly from Adelphia. There was not a good process
16 in place to regulate this process. Similarly, when Cavalier converted former special
17 access customers of Stickdog Communications, the process was slightly better than what
18 I understand occurred with former Net2000 customers, because Verizon accepted
19 spreadsheet orders and did not insist upon an individual access service request ("ASRs")
20 for each customer. However, the cutovers still took longer than Cavalier thought was
21 reasonable, based on the volume of customers involved. Finally, Cavalier also
22 experienced some difficulties in an earlier cutover of customers from PICUS

1 Communications, which was one of the earliest experiences that Cavalier and Verizon
2 had with an exiting carrier.

3 **Q. What changes does Cavalier propose to this process?**

4 A. Cavalier proposes incorporating the language from the *Triennial Review Order*, as
5 I mentioned. Cavalier also proposes language allowing the parties to negotiate a proper
6 time interval for completing conversions. Some definite timeframe is needed to complete
7 a conversion, because the progress has been too slow, particularly in the Net2000
8 situation. Both Cavalier and Verizon need parameters to set the number of cutovers
9 within a specific time period, to provide some guidance about what to do when thousands
10 of customers must be converted over from special access circuits to unbundled network
11 elements connected with Cavalier's network—both from the standpoint of facilities and
12 from the standpoint of billing. Cavalier would generally expect that, in most if not all
13 instances, a billing conversion from Verizon could become effective, and that circuits
14 could be moved, within thirty to sixty days. In its proposed language, Cavalier has left
15 open the timeframes for any particular situations, because different situations might call
16 for substantially different timeframes. However, if Cavalier and Verizon are unable to
17 agree on such a timeframe, then Cavalier's proposed language seeks to provide for an
18 expedited decision. Cavalier would expect that Staff of the Virginia State Corporation
19 Commission ("the SCC") would be able to assist in such a context. Cavalier therefore
20 proposes to allow use of the ADRP process at the SCC or, if the SCC were not willing to
21 step in, the accelerated docket at the FCC.

V/FX Reciprocity

1

2 **Q. What changes does Cavalier propose with respect to Issues C28 and V2?**

3 A. Cavalier has one simple goal for all of the language concerning virtual foreign
4 exchange (“V/FX”) traffic—Cavalier wants this language to be reciprocal, so that both
5 parties are treated alike under the interconnection agreement. My understanding is that
6 Cavalier has tried to make this language reciprocal in all of its proposed changes to
7 several sections of the interconnection agreement, including §§ 4.2.17(c), 4.2.17(e), 5.6.6,
8 and 5.7.4.9. To the best of my knowledge, Verizon has not provided any explanation of
9 why Cavalier should treat Verizon’s V/FX traffic (if any) any differently than how
10 Verizon has proposed to treat Cavalier’s V/FX traffic (if any).

11 **Q. Does that conclude your testimony?**

12 A. Yes.

1

Declaration of [name]

2

3

I declare under penalty of perjury that I have reviewed the foregoing testimony and that those sections as to which I testified are true and correct to the best of my knowledge.

5

6

Executed this 22 day of September, 2003.

7

8

9

10

Walter E. Cole

Cavalier Telephone - FCC Arbitration
Issue C3 - MPB

Summary of Trunk Usage - July 8, 2003
Richmond Trunks

<u>Access</u>	<u>CIC</u>	<u>IXC - 215</u>	<u>Local - 221</u>	<u>Local-225</u>	<u>Local-257</u>	<u>IXC - 303</u>	<u>Total</u>
000000	31,367	2,937		65		1,260	35,628
000003	236					8	243
000004	853					1	854
000022	423					22	444
000033	7,592	33		6		278	7,909
000288	822			1		44	867
000292	472					65	537
000432	1,276					173	1,451
000444	66					7	72
000643	16					1	17
000725	1						1
000732	0						0
000833	121					2	122
005048	3						3
005113	25						25
005119	235					11	247
005230	581	24				34	639
005246	8						8
005269	1,138			0		85	1,223
005342	8						8
005364	1,183					40	1,223
005607	64					6	70
005703	97						97
006232	389	1,615		171		12	2,187
006341	136	2				13	151
006362	444					7	451
006382	69					0	69
006393	1,186	5,413		1		132	6,733
006626	138					2	140
006664	15,393	762		70		602	16,826
006667	6					20	26
006669	26					8	34
006921	2						2
006963	6,223	12,121		345		505	19,193
008935	9					2	11
009007	10,399	82		114		626	11,221
Access	81,009	22,990		774		3,960	108,732
Misrouted		22,990		774			23,763

Local

000000	1,090	74,285	61	2	14	75,452
000033	110	102	4		1	218
000432	1					1
005230	98	1,257			2	1,356
005269	3	9,256	9	2	2	9,272
005364	913	779	20	16	46	1,774
006232	36	7,953	4			7,993
006382	77	266			27	370
006393	496	1,773	50		18	2,337
006626	196	1			6	202
006664	28,916	6,924	39		162	37,040
006963	11	10			11	32
009007	1					1
Local	31,947	102,604	188	20	1,288	136,046
Misrouted	31,947				1,288	33,235

Verizon	28,631	18,971	1,680		1,613	51,095
Verizon	3,547	96,723	70,775	40,318	385	211,746
Total VZ	32,178	115,694	72,455	40,318	2,197	262,841
Misrouted	32,178				2,197	34,375
Total	145,134	241,287	73,416	40,337	7,445	507,619
Misrouted	64,125	22,990	774	-	3,485	91,374

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**TESTIMONY OF MARTIN W. CLIFT, JR.
ON BEHALF OF CAVALIER TELEPHONE, LLC**

CAVALIER EXHIBIT ____

September 23, 2003

1 **Q. Please state your name, business address, job responsibilities and**
2 **background?**

3 A. My name is Martin W. Clift, Jr. My business address is 2134 W. Laburnum Ave.,
4 Richmond, VA. I am employed by Cavalier Telephone Mid Atlantic, LLC, as Vice
5 President of Regulatory Affairs. In particular I am the principal point of contact between
6 Cavalier and Verizon on all interconnection matters, including all contractual or tariff
7 activities associated with collocation, interoffice trunking, unbundled network elements
8 (UNEs), outside plant conduit and pole attachments, dark fiber, and reciprocal
9 compensation. I have been with Cavalier in that capacity for about five years.

10 Prior to joining Cavalier, from 1994 through 1998, I was Director of Regulatory
11 Affairs for the Midwest and Northeast Regions for US Signal in Grand Rapids, Michigan,
12 which was later merged into Brooks Fiber, Inc. and then into WorldCom, Inc. While at
13 Brooks I had a similar role in its interconnection relationship with Ameritech in the
14 Midwest and Bell Atlantic (now Verizon) in the Northeast. Prior to 1994, I was
15 employed by Southern New England Telephone Company (SNET) and General
16 Telephone for approximately 24 years. At those companies I held a variety of positions
17 associated with inter-company interconnection and relations. My last position at SNET
18 was a Director in the Interconnection Services Group. In that capacity, I directed the
19 supporting activities for interconnection compensation. This included interconnection
20 with other incumbent telephone companies (ILECs) and interexchange carriers (IXCs),
21 and cellular telephone company interconnection.

22 **Q. For what issues are you providing testimony?**

23 A. I am providing testimony on Issues C4, C5, C6, C18 and C27.

1 **Q. What is the crux of Cavalier's proposed language changes for Issue C4?**

2

3 A. The crux is simple reciprocity. The issue deals with the very limited language in
4 Section 7.2.6. The proposed language changes are attached, as Exhibit MC-1. Cavalier
5 simply wants to make the provision for providing transit services to each other clear and
6 reciprocal.

7 **Q. Doesn't the provision in Section 7.2.7 do this?**

8 A. That section either does not address reciprocity for passing on carrier charges or,
9 if it does, leaves the intent unclear. The new language in 7.2.6 will clarify that if either
10 party is assessed charges by another carrier, that charge may be passed on to the
11 terminating carrier. Verizon's language would have this be a one-way requirement. The
12 Cavalier proposed language makes that obligation reciprocal. The transit function with
13 its responsibilities to one another should apply to both companies equally. There is no
14 principled reason why Verizon should have the right to pass such charges on to Cavalier
15 while Cavalier has no such equivalent right. Stated another way, Verizon should not
16 have its cake and eat it too. We believe it is *per se* unreasonable for Verizon to have the
17 rights both to pass on to Cavalier the third party charges we have incurred AND to refuse
18 to accept from Cavalier – thereby foisting upon Cavalier – the third party charges
19 Verizon has apparently incurred.

20 **Q. What is the purpose of your proposed contract language changes for Issue C5?**

21 A. Cavalier desires to engage direct connections with other carriers. Cavalier desires
22 to do this for termination, transit, or termination and transit combined. Verizon desires
23 this too. But Cavalier cannot act in a vacuum. It must have Verizon's cooperation to
24 provide some basic information if the need arises, addressing issues from both carriers

1 about their current Verizon interconnection arrangements. Verizon apparently believes it
2 can sit back, offer language requiring interconnecting carriers to negotiate separate deals,
3 but when it comes to crunch time, run for the exit doors. The contract language that I
4 propose, in Section 7.2.8, shown as Exhibit MC –2, would require some limited
5 assistance from Verizon in helping to explain current interconnection arrangements.

6 We understand and support Verizon’s aim to remain neutral, but Verizon is the
7 interconnection gatekeeper. It cannot disregard the most important inter-carrier concerns.
8 To do so would ignore the real world of carriers’ needs to understand their underlying
9 interrelationships. The ILEC occupies a role that no CLEC, IXC, collaborative or
10 regulator will ever replace. Verizon is unique in its ability to reveal what’s contained in
11 the interconnection “black box”, and cannot expect other carriers on their own to divine
12 its contents. I will demonstrate that Verizon’s cooperation is essential to this endeavor.

13 **Q. What is your foundation for this position?**

14 A. I have tried to follow the course urged by Verizon, and it did not work. The
15 parties’ current interconnection agreement, the MCI Metro Agreement, in Section 4.9,
16 attached as Exhibit MC-3, has a provision for the parties to “provide reasonable
17 cooperation and assistance” to engage agreements with other carriers. In November 1998
18 I sent a letter to Verizon addressed to K. A. O’Hara, attached as Exhibit MC – 4,
19 requesting assistance in negotiating 3rd party agreements. Verizon did not respond to my
20 request. Also, in meetings that Cavalier had in 1999 with Cindy French, at that time our
21 Verizon account manager, I requested the same, but received no assistance. Finally, in
22 early 2001, I attempted to negotiate a direct interconnection arrangement with Cox

1 Communications, but that attempt failed as well. For the Cox situation, Verizon held the
2 key to successful negotiations, and yet would not participate.

3 **Q. What is the key that Verizon holds?**

4 A. Negotiations fail with other carriers for the simple reason that no one party can
5 decipher what happens between the parties with respect to intercarrier billing. The
6 carriers know how intercarrier billing *should* work, but knowing how it *actually* happens
7 is another story. Verizon is at the center of the process, and is the only entity in a
8 position to know. In the Cox situation, if Cox were to interconnect with Cavalier, Cox
9 wanted assurances that Cavalier would compensate it for Internet traffic. Cavalier
10 refused. Cox made the claim to me that Verizon was paying it for Internet traffic that
11 originated from Cavalier end users. I did not believe Cox, because our Verizon
12 interconnection agreement, in Section 4.9, stated that Verizon could pass those charges
13 on to Cavalier, which Verizon was not doing. I asked Cox to obtain confirmation from
14 Verizon, and Cox was unable to do so. Verizon held the key to unraveling the Cox
15 mystery, but left Cavalier and Cox in the lurch.

16 **Q. What ultimately happened with Cox?**

17 A. Cavalier finally reached a deal with Cox, but it took an additional two years. The
18 parties had to make do with the bad hand Verizon dealt our negotiations, but those years
19 of wasted opportunity were altogether avoidable had we received some cooperation.

20 **Q. And Cavalier wants to arrange direct connections with other carriers?**

21 A. Yes. Cavalier has negotiated several reciprocal compensation arrangements. At
22 the present time Cavalier is negotiating with several wireless carriers for direct

1 interconnection. But the fact that Cavalier is negotiating does not mean that deals will be
2 completed.

3 Moreover, even when we do reach reciprocal compensation deals with other carriers, the
4 parties continue to need key information from Verizon. For instance, Walter Cole, in his
5 testimony for issue C3, Meet Point Billing, in Exhibit WC-1, presents evidence that
6 Verizon and Verizon Wireless are routing traffic to Cavalier over the wrong trunk group.
7 That affects reciprocal compensation, and Cavalier needs Verizon's cooperation to help
8 figure this out. That is the reason behind the proposed contract language in Section 7.2.6.

9 **Q. What is the central point of your testimony on Issue C6?**

10 A. Cavalier provides essential 911 services to the public, *in tandem with Verizon*,
11 but, unlike Verizon, we are not receiving full compensation for these services. Verizon
12 has resisted our reasonable requests for acknowledgement to key public agencies of the
13 services we perform. As a result, the Public Safety Answering Points (PSAPs) (typically
14 county government agencies) question Cavalier's role in provisioning 911 services and,
15 when the PSAPs seek confirmation from Verizon, Verizon stonewalls. As a result,
16 Cavalier does not get its due compensation for the services it provides. My testimony
17 and the contract language I propose solicit some specific action from Verizon. Cavalier
18 is simply proposing that Verizon and Cavalier send a joint letter to each PSAP to explain
19 the joint relationship of the service and compensation terms. The proposed language,
20 contained in Section 7.3.9 and Section 7.3.10 attached as Exhibit MC – 5, will also
21 ensure the counties are not double-charged for this joint service. Thus, the language
22 benefits both Cavalier and the public at large.

1 **Q. But the unedited contract language in Section 7.3.9 states that Verizon will**
2 **“work cooperatively” to arrange meetings with PSAP’s. Do you believe that**
3 **language is insufficient?**

4 A. The language that I propose in 7.3.9 is linked with the language in 7.3.10. The intent
5 of that language is for Verizon to explain to the counties both the role of each partner in
6 the service and how each partner will be compensated for its functions. Cavalier has
7 specifically added the term “compensation” to insure that that subject is addressed. The
8 language in Section 7.3.10 goes a step further, because it requires Verizon to adjust its
9 billings to the counties, so PSAPs will not be double-billed.

10 **Q. Are the PSAP’s getting double-billed today?**

11 A. That is really the central issue that the proposed contract language attempts to fix.
12 Both Cavalier and Verizon provide 911 services to PSAPs in accordance with their own
13 tariff provisions. Cavalier’s services are provided in accordance with tariff provisions in
14 Section 6.4 and Section 8.5 of its Virginia SCC Tariff No. 1, attached as Exhibit MC -6.
15 Verizon’s 911 services are covered in its Virginia SCC Tariff No. 211, Section 14. For
16 comparison purposes, I have attached Section 2 of that tariff, as Exhibit MC – 7,
17 illustrating the rates and charges. The problem is that Verizon views the two respective
18 tariffs as mutually exclusive, when they are not. Verizon believes its tariff and Cavalier’s
19 tariff can each stand on its own, without any recognition for the joint provisioning of the
20 service. Cavalier does not share that view, and certainly it is not in the best interest of the
21 PSAPs.

22 **Q. What is the basis for Cavalier’s opinion?**

1 A. Verizon's tariff is not unbundled to account for any 911 service functions that
2 Cavalier performs. Section 4 a. of Verizon's tariff sets up a "System Establishment
3 Charge", and Section 4 b. defines "other" rates and charges. It is Section 4 a. that is
4 problematic. Verizon applies those charges, with the exception of (f), on the basis of
5 1000 local exchange lines, even though those exchange lines are Cavalier lines. So when
6 Cavalier also charges for these functions based on the same 1000 local exchange lines,
7 there is duplication.

8 **Q. Then what are the 911 functions that Cavalier performs?**

9 A. There are two principal components of Cavalier's service: the entry of the customer
10 name and address into Verizon's 911 database, and the actual routing of the call, in
11 conjunction with Verizon, to the PSAP. For the database entry function, our service
12 representatives are directly connected to the Verizon database. New listings, moves,
13 changes, and deletions are processed directly from Cavalier based upon information from
14 Cavalier's customers. On the network side, calls are routed through Verizon to the PSAP
15 over separate 911 interconnection trunks. Cavalier establishes these trunks in concert
16 with Verizon. Upon each 911 call that originates from a Cavalier customer, the call
17 is routed over these trunks from each Cavalier switch, with automatic number
18 identification (ANI), and other appropriate routing information contained in the call
19 record.

20 **Q. How are these functions addressed in Cavalier's tariff?**

21 A. Cavalier charges a flat fee to each PSAP in the amount of \$600.00 per month for
22 database entry. Cavalier also charges a fee of \$92.50 for ANI and routing. So if there